

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO SALES TAX FINANCING
CORPORATION (COFINA),

Debtor.

PROMESA

Title III

No. 17 BK 3284-LTS

**INFORMATIVE MOTION OF THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO REGARDING JANUARY 16, 2019
HEARING ON MOTION PURSUANT TO BANKRUPTCY RULE 9019 FOR ORDER
APPROVING SETTLEMENT BETWEEN THE COMMONWEALTH AND COFINA**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

To the Honorable United States District Court Judge Laura Taylor Swain:

Pursuant to the Court's Order Regarding Procedures For Attendance, Participation, and Observation of January 16, 2019 Hearing [ECF No. 431], Puerto Rico Sales Tax Financing Corporation ("COFINA"), as the Title III debtor in the above-captioned Title III cases (the "Debtor") under the *Puerto Rico Oversight, Management, and Economic Stability Act* ("PROMESA"), by and through the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board"), as the Debtor's representative pursuant to section 315(b) of PROMESA, respectfully states as follows:

The relevant Hearing Matter² for purposes of this Informative Motion is the Commonwealth of Puerto Rico's Motion Pursuant to Bankruptcy Rule 9019 for Order Approving Settlement between the Commonwealth and COFINA. The Oversight Board's witness will be Natalie Jaresko (the "Witness"), whose testimony will be submitted in written declaration form prior to the hearing. The testimony of the Witness will relate to the Settlement between the Commonwealth and COFINA, including that the Settlement is reasonable. The testimony of the Witness will include a factual background of the Commonwealth-COFINA Dispute, the Oversight Board's efforts to resolve the Commonwealth-COFINA Dispute, the Agreement in Principle reached by the Commonwealth Agent and the COFINA Agent, and the benefits to the Commonwealth of the Settlement. The Oversight Board reserves its right to call the Witness as a rebuttal witness. The time for direct testimony is minimal because it will be submitted in writing. The time desired by any other interested party for cross-examination is unknown at this time.

² Capitalized terms used but not defined herein shall have the meanings given to them in the *Order Regarding Procedures for Attendance, Participation and Observation of January 16, 2019 Hearing Regarding (1) the 9019 Settlement Approval Motion, (2) COFINA Plan of Adjustment Confirmation Motion, and (3) Dispute Regarding Section 19.5 of the Plan* [Case No. 17-3283, ECF No. 4647].

Dated: January 10, 2019
San Juan, Puerto Rico

Respectfully submitted,

/s/ Hermann D. Bauer

Hermann D. Bauer
USDC No. 215205
O'NEILL & BORGES LLC
250 Muñoz Rivera Ave., Suite 800
San Juan, PR 00918-1813
Tel: (787) 764-8181
Fax: (787) 753-8944
Email: hermann.bauer@oneillborges.com

Martin J. Bienenstock (*pro hac vice*)
Brian S. Rosen (*pro hac vice*)
Jeffrey W. Levitan (*pro hac vice*)
PROSKAUER ROSE LLP
Eleven Times Square
New York, NY 10036
Tel: (212) 969-3000
Fax: (212) 969-2900
Email: mbienenstock@proskauer.com
Email: brosen@proskauer.com
Email: jlevitan@proskauer.com

Michael A. Firestein (*pro hac vice*)
Lary Alan Rappaport (*pro hac vice*)
PROSKAUER ROSE LLP
2029 Century Park East
Suite 2400
Los Angeles, CA 90067
Tel: (310) 557-2900
Fax: (310) 557-2193
Email: mfirestein@proskauer.com
Email: lrappaport@proskauer.com

*Attorneys for the Financial Oversight and
Management Board as representative of the
Debtor*